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13 | *Attorneys for Plaintiff and the Putative Class*

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

16 BEACH DISTRICT SURGERY
17 CENTER, L.P., Individually and on
18 Behalf of All Others Similarly
Situated.

Plaintiff.

21

22 CIGNA HEALTH AND LIFE INS.
23 CO., and DOES 1-10, inclusive,

Defendants

Case No.

CLASS ACTION

Complaint for:

1. Fraud
2. Negligent Misrepresentation
3. Violation of California's Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, *et seq.*)

JURY TRIAL DEMANDED

1 Plaintiff Beach District Surgery Center, L.P. (hereinafter referred to as
2 "Plaintiff" or "Medical Provider"), individually and on behalf of all others similarly
3 situated, complains and alleges:

4 **NATURE OF THE ACTION**

5 1. This is a class action lawsuit against Cigna Health and Life Ins. Co.
6 ("Cigna") for misrepresenting the nature of payments it would make to out-of-
7 network California medical providers that had agreements with a complementary
8 network called Multiplan.

9 2. Plaintiff is a surgery center that provides medical services to patients in
10 California. Plaintiff, like many other California medical providers, is not contracted
11 with Cigna, meaning it has and had no preferred provider contracts or other such
12 standing written contracts with Cigna setting the rates of pay for services rendered to
13 patients covered by Cigna health insurance. This is also referred to as being "out-of-
14 network" or "non-participating" medical provider with respect to patients covered by
15 Cigna. While Plaintiff is not contracted with Cigna, like many other California
16 medical providers, it was and is contracted with a complementary network called
17 Multiplan.

18 3. Cigna imprints a Multiplan logo on its insureds' insurance cards only for
19 those eligible to receive discounted rates when using an out-of-network non-
20 participating medical provider or facility that participates in the Multiplan Network.
21 The Multiplan logo is intended to and does represent to patients and out-of-network
22 medical providers, including Plaintiff, that Cigna will apply the payment rates
23 pursuant to the provider's Multiplan agreement, if the provider has such an agreement.
24 However, Cigna's representations in this regard are false.

25 4. Cigna and/or Multiplan have advertised to patients, Plaintiff and other
26 medical providers throughout the state and country that when a patient or medical
27 provider sees the symbol for Multiplan on a patient's insurance card, the patient and
28 medical provider can be assured that the medical provider's Multiplan agreement will

1 be utilized, thus providing benefits to all parties—patient, medical provider and
2 insurer.

3 5. Under Plaintiff's Multiplan agreement, Plaintiff is to be paid 95% of
4 billed charges for any and all medical services it renders to patients with Cigna health
5 insurance, less any co-payment, deductible, and/or co-insurance, if any.

6 6. Plaintiff and other medical providers in California justifiably and
7 reasonably relied on the representation that the Multiplan logo's placement on a
8 patient's insurance card meant that Cigna would pay for the insured's medical
9 services at the rates applicable under their Multiplan agreement.

10 7. Plaintiff has rendered medical services to numerous patients with Cigna
11 health insurance that have insurance cards bearing the Multiplan logo. However,
12 when Plaintiff submitted claims to Cigna for medical services rendered to such
13 patients, Cigna did not pay these claims at the rates provided by the Multiplan
14 agreement despite confirming that Multiplan rates were applicable—instead, Cigna
15 paid far less, thus damaging Plaintiff.

16 8. Plaintiff is informed and believes and thereon alleges that Cigna has
17 similarly misrepresented and underpaid other out-of-network California medical
18 providers with a Multiplan agreement, causing them damage.

THE PARTIES

20 9. Plaintiff Medical Provider is and at all relevant times was a medical
21 corporation organized and existing under the laws of the State of California. Plaintiff
22 is and at all relevant times was in good standing under the laws of the State of
23 California.

24 10. Defendant Cigna Health and Life Ins. Co. is and at all relevant times was
25 licensed to do business in and is and was doing business in the State of California, as
26 an insurer. Plaintiff is informed and believes that Defendant is licensed by the
27 Department of Managed Health Care and/or the Department of Insurance to transact
28 the business of insurance in the State of California. Defendant is, in fact, transacting

1 the business of insurance in the State of California and is thereby subject to the laws
 2 and regulations of the State of California. Cigna's headquarters are located in
 3 Bloomfield, Connecticut.

4 11. The true names and capacities, whether individual, corporate, associate,
 5 or otherwise, of defendants DOES 1 through 10, inclusive, are unknown to Plaintiff,
 6 who therefore sues said defendants by such fictitious names. Plaintiff is informed and
 7 believes and thereon alleges that each of the defendants designated herein as a DOE
 8 is legally responsible in some manner for the events and happenings referred to herein
 9 and legally caused injury and damages proximately thereby to Plaintiff. Plaintiff will
 10 seek leave of this Court to amend this Complaint to insert their true names and
 11 capacities in place and instead of the fictitious names when they become known to it.
 12 Defendants DOES 1 through 10, inclusive collectively with Defendant Cigna Health
 13 and Life Ins. Co. are referred to as "Defendants."

14 12. At all times herein mentioned, unless otherwise indicated, Defendants
 15 were the agents and/or employees of each of the remaining Defendants, and were at
 16 all times acting within the purpose and scope of said agency and employment, and
 17 each Defendant has ratified and approved the acts of their agent. At all times herein
 18 mentioned, Defendants had actual or ostensible authority to act on each other's behalf
 19 in certifying or authorizing the provision of services; processing and administering
 20 the claims and appeals; pricing the claims; approving or denying the claims; directing
 21 each other as to whether and/or how to pay claims; issuing remittance advices and
 22 explanations of benefits statements; making payments to Plaintiff, other Class
 23 members, and their patients.¹

24
 25
 26 1 For privacy reasons and in order to comply with Health Insurance Portability and
 27 Accountability Act ("HIPAA"), the full names, dates of treatment and policy
 28 information pertaining to the Patient is being withheld. This information will be
 disclosed to Defendants upon their request.

JURISDICTION AND VENUE

2 13. This Court has subject matter jurisdiction over this action pursuant to 28
3 U.S.C. § 1332 because (a) the matter in controversy exceeds the sum or value of
4 \$75,000 and the parties are citizens of different States, and (b) this is a class action in
5 which the aggregate amount in controversy exceeds \$5,000,000, exclusive of interest,
6 fees and costs, and because Plaintiff and/or at least one Class member is a citizen of
7 a state different from Defendants. This Court has supplemental jurisdiction over any
8 state law claims pursuant to 28 U.S.C. § 1337.

9 14. This Court may exercise jurisdiction over Defendants because they have
10 continuous and systematic contacts with this District, do substantial business in this
11 State and within this District, and engage in the unlawful practices alleged in this
12 complaint in this District so as to subject themselves to personal jurisdiction in this
13 District and thus rendering the exercise of jurisdiction by this Court proper and
14 necessary.

15 15. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(b)
16 because Defendants conduct business in this District and substantial acts in
17 furtherance of the alleged improper conduct occurred within this District.

FACTUAL ALLEGATIONS²

19 16. All of the claims asserted in this complaint arise out of Defendants'
20 representations and communications to Plaintiff. Plaintiff is informed and believes
21 and thereon alleges that Defendants made substantially similar representations and
22 communications regarding the nature of payments they would make to other out-of-

²⁴ Plaintiff provides specific facts for just five examples which are representative of all
²⁵ the claims it submitted to Defendants for medical services rendered to patients with
²⁶ Cigna health insurance who had insurance cards bearing the Multiplan logo. Based
²⁷ on information and belief, Plaintiff thereon alleges these examples are also
²⁸ representative of the misrepresentations and underpayments by Defendants as to the
other Class members' claims.

1 network California medical providers that had a Multiplan agreement.

2 17. Plaintiff is and was informed, based on Defendants' representations and
3 communications, that each patient was insured by Defendants either as subscribers to
4 coverage or dependents of a subscriber to coverage under a policy or certificate of
5 insurance issued and underwritten by Defendants.

6 18. Plaintiff is and was informed that each patient entered into a valid
7 insurance agreement with Defendants for the specific purpose of ensuring that they
8 would have access to medically necessary treatments, care, procedures and surgeries
9 by medical practitioners like Plaintiff and ensuring that Defendants would pay for the
10 health care expenses incurred by each patient.

11 19. Plaintiff is and was informed that Defendants received, and continue to
12 receive, valuable premium payments from each patient and/or other consideration
13 from the patient under the subject policies applicable to each patient.

14 20. Procedures performed by Plaintiff on each patient are not merely for the
15 benefit of patients, but, rather, for Defendants as well. Defendants receive valuable
16 premium payments from each patient that would cease to be made were each patient
17 unable to receive services from providers of medicine like Plaintiff. Additionally,
18 patients would seek out different insurers if they were unable to obtain the medical
19 services that they desired because of those insurers' unwillingness to pay for said
20 medical services.

21 21. Plaintiff and the doctors who performed surgeries or procedures upon the
22 patients were "out-of-network providers" or "non-participating providers" who had
23 no preferred provider contracts or other such standing, written contracts with
24 Defendants setting their rates of pay for services rendered, prior to the date that the
25 surgeries or procedures were performed upon each patient.

26 22. Plaintiff did and does have an agreement with a complementary network
27 called Multiplan.

1 23. According to the agreement, Plaintiff is to be paid 95% of its billed
2 charges for any and all services. "Client specific rates for Aetna, Cigna and Great
3 West shall be equal to ninety-five (95%) percent of Facility's Billed Charges, less any
4 co-payment, Deductible, and/or Co-insurance, if any, specified in the Participant's
5 Benefit Program."

6 24. There are instances in which Multiplan or a medical provider will create
7 a list of payors of insurance to exclude from using a Multiplan agreement.

8 25. Plaintiff negotiated the Multiplan agreement but as Plaintiff found the
9 terms of the agreement acceptable in all instances, Plaintiff did not ask for the
10 agreement to not apply to certain payors.

11 26. Multiplan also never represented to Plaintiff that there would be any
12 limitation on the applicability of the agreement.

13 27. Multiplan at all times represented to Plaintiff that its symbol on patient
14 insurance cards was a representation from a payor of insurance to patients and
15 Plaintiff that the payor of insurance was going to process Plaintiff's medical bills in
16 accordance with the Multiplan agreement.

17 28. Multiplan is utilized by a number of insurers including Defendants to
18 help reduce medical costs to patients.

19 29. Defendants did and do have an agreement with Multiplan.

20 30. Defendants did and do have a longstanding relationship with Multiplan.
21 Defendants specifically direct patients to Multiplan to see if the medical provider is
22 contracted with Multiplan. *See* Cigna.com, Multiplan/Out-of-Network Directory
23 <https://www.cigna.com/hcpdirectory/multiplan> (last visited May 27, 2022).

24 31. A search using the tool described above shows that Plaintiff is a medical
25 provider in good standing with Multiplan. *See* Multiplan.com, Provider Search,
26 <https://www.multiplan.com/webcenter/portal/ProviderSearch> (last visited May 27,
27 2022).

1 32. From 2019 to 2021, Medical Provider provided medical facilities for no
2 less than 40 medical procedures for 26 patients whose insurance cards prominently
3 displayed a Multiplan symbol.

4 33. Prior to performing each procedure, each patient provided to Medical
5 Provider a copy of their insurance card. Each insurance card prominently displayed
6 a symbol for Defendants and a symbol for Multiplan.

7 34. By putting the Multiplan symbol on the same insurance card bearing
8 Defendants' symbol, Defendants intended that Medical Provider and each patient
9 would believe that Defendants utilized the Multiplan Network and would make
10 payments utilizing the Multiplan Network.

11 35. Plaintiff reviewed each patient's insurance card and based on the
12 Multiplan symbol on each card, agreed to and did provide medical services to each
13 patient with the understanding that Defendants would compensate Medical Provider
14 in accordance with Medical Provider's Multiplan Agreement.

15 36. For all 40 payment claims Plaintiff asserts herein, at no time did
16 Defendants represent that they would not be paying for services in accordance with
17 Multiplan.

18 37. Medical Provider justifiably and actually relied and provided services
19 based on Defendants' representations on patients' insurance cards that Multiplan
20 would be utilized in determining how Medical Provider would be paid.

21 38. At no time have Defendants ever expressed to Plaintiff that they would
22 no longer be utilizing the Multiplan Network in the fashion advertised by Multiplan
23 and/or Defendants.

24 39. Following each procedure, Medical Provider submitted to Defendants
25 any and all billing information required by Defendants.

26 40. Defendants processed each of Medical Provider's claims but failed to
27 make proper payment in accordance with Plaintiff's Multiplan contract.

41. However, on each remittance sheet or explanation of benefits (“EOB”),
2 Defendants represented that they had applied a Multiplan contractual discount.

3 42. Other than the Multiplan agreement, Plaintiff does not have a contract
4 with any insurer that would provide Defendants with a basis for stating that the claim
5 could be processed based on a contract.

6 43. Also, on nearly every EOB, Defendants represented that they actually
7 used Multiplan to pay for the claim, but despite affirming the representation from the
8 insurance card, Defendants still failed to pay in accordance with Plaintiff's Multiplan
9 agreement.

10 44. Plaintiff in all cases appealed to Defendants to obtain proper payment in
11 accordance with Plaintiff's Multiplan contract. In all instances, Defendants still
12 refused to make the appropriate payment.

13 45. As of the date of this complaint, Defendants have still refused to make
14 the appropriate payment to Medical Provider and Medical Provider is entitled to that
15 payment from Defendants.

Example Patient 1

17 46. On November 11, 2019, Patient 1 received a surgery at Plaintiff's
18 medical facility.

19 47. On November 7, 2019, prior to providing medical services, Plaintiff
20 received a copy of the insurance card specifically provided by Defendants to Patient
21 1 to be shown to Plaintiff and other Class members upon seeking medical services.

22 48. Prominently displayed on the insurance card is and was a symbol for
23 Multiplan.

24 49. Defendants' purpose in displaying the symbol was to communicate that
25 if Plaintiff or other Class members had an agreement with Multiplan, Defendants
26 would utilize that agreement in processing and paying for the medical services
27 provided to Patient 1.

1 50. Plaintiff had and has an agreement with Multiplan; thus, Plaintiff
2 determined to provide medical services to Patient 1, reasonably relying on
3 Defendants' representation that Plaintiff's Multiplan agreement constituted the
4 manner in which Defendants pay for the medical services received by Patient 1.

5 51. Defendants did not reference any issue that would put Plaintiff on notice
6 of the fact that Defendants would not utilize the Plaintiff's Multiplan agreement in
7 paying for services rendered to Patient 1.

8 52. Despite representing that the payment method is and was based on
9 Plaintiff's Multiplan agreement, Defendants knew or should have known that they
10 would not be paying Medical Provider based on the Multiplan Agreement.

11 53. Plaintiff relied and provided services based on the clear representation
12 on the insurance card Defendants provided to Patient 1 that Multiplan would be used
13 to determine the pricing for the medical services.

14 54. By Defendants' representations, Defendants intended for Plaintiff to
15 provide services to Patient 1.

16 55. Defendants intended for Medical Provider to rely on its representations
17 that medical services it provided to Patient 1 would be paid in accordance with the
18 Multiplan agreement.

19 56. Plaintiff submitted to Defendants any and all billing information required
20 by Defendants, including a bill for \$44,550.00.

21 57. Following the procedure, Plaintiff submitted its claims to Defendants
22 accompanied with lengthy operative reports, chart notes, and other medical records.
23 No matter whether large or small, all of Plaintiff's claims were submitted to
24 Defendants using CPT codes, Healthcare Common Procedure Coding System
25 ("HCPCS"), and modifiers, as necessary. Plaintiff submitted to Defendants any and
26 all billing information and any and all additional information requested by
27 Defendants.

28

58. Defendants processed the bill and made a payment of \$9,882.36 along
2 with sending an EOB.

3 59. Defendants confirmed in the EOB that they had used Multiplan to
4 determine the amount paid for the medical services.

5 60. However, despite claiming to use Multiplan to price the claim,
6 Defendants paid far less than the amount owed according to Plaintiff's Multiplan
7 Agreement.

8 61. Defendants failed to make payment in accordance with the
9 representations and promises they made to Plaintiff that the manner of payment would
10 be based on Plaintiff's Multiplan Agreement.

11 62. Defendants knew that by putting the Multiplan symbol on their insurance
12 card that Plaintiff and other Class members would rely on that information, believing
13 that the manner in which Defendants pay for medical services would be based on
14 Multiplan.

15 63. Defendants knew that they would not be paying based on Plaintiff's
16 Multiplan Agreement.

17 64. Defendants made these misrepresentations regarding the manner of
18 payment with the intent of obtaining medical services for their insured and in so doing
19 intended to and did induce Plaintiff to provide services.

20 65. As of the date of this complaint, Defendants have still refused to make
21 the appropriate payment to Plaintiff and Plaintiff is entitled to that payment from
22 Defendants.

Example Patient 2

24 66. On December 3, 2019, Patient 2 received a surgery at Plaintiff's medical
25 facility.

26 67. On November 7, 2019, prior to providing medical services, Plaintiff
27 received a copy of the insurance card specifically provided by Defendants to Patient
28 to be shown to Plaintiff and other Class members upon seeking medical services.

1 68. Prominently displayed on the insurance card is and was a symbol for
2 Multiplan.

3 69. Defendants' purpose in displaying the symbol was to communicate that
4 if Plaintiff and other Class members had an agreement with Multiplan, Defendants
5 would utilize that agreement in processing and paying for the medical services
6 provided to Patient 2.

7 70. Plaintiff had and has an agreement with Multiplan and so Plaintiff
8 determined to provide medical services to Patient 2, trusting Defendants'
9 representation that Plaintiff's Multiplan agreement is the manner in which Defendants
10 pay for the medical services received by Patient 2.

11 71. Defendants did not reference any other issue that would put Plaintiff on
12 notice of the fact that Defendants would not utilize the Plaintiff's Multiplan
13 agreement.

14 72. Despite representing that the payment method is and was based on
15 Plaintiff's Multiplan agreement, Defendants knew or should have known that they
16 would not be paying Medical Provider based on the Multiplan Agreement.

17 73. Plaintiff relied and provided services based on the clear representation
18 on the insurance card Defendant provided to Patient 2 that Multiplan would be used
19 to determine the pricing for the medical services.

20 74. By Defendants' representations, Defendants intended for Plaintiff to
21 provide services to Patient 2.

22 75. Defendants intended for Medical Provider to rely on its representations
23 that medical services it provided to Patient 2 would be paid in accordance with the
24 Multiplan agreement.

25 76. Plaintiff submitted to Defendants any and all billing information required
26 by Defendants, including a bill for \$46,117.50.

27 77. Following the procedure, Plaintiff submitted its claims to Defendants
28 accompanied with lengthy operative reports, chart notes, and other medical records.

1 No matter whether large or small, all of Plaintiff's claims were submitted to
2 Defendants using CPT codes, Healthcare Common Procedure Coding System
3 ("HCPCS"), and modifiers, as necessary. Plaintiff submitted to Defendants any and
4 all billing information and any and all additional information requested by
5 Defendants.

6 78. Defendants processed the bill and made a payment of \$11,812.27 along
7 with sending an EOB.

8 79. Defendants confirmed in the EOB that they had used Multiplan to
9 determine the amount paid for the medical services.

10 80. However, despite claiming to use Multiplan to price the claim,
11 Defendants paid far less than the amount owed according to Plaintiff's Multiplan
12 Agreement.

13 81. Defendants failed to make payment in accordance with the
14 representations and promises it made to Plaintiff that the manner of payment would
15 be based on Plaintiff's Multiplan Agreement.

16 82. Defendants knew that by putting the Multiplan symbol on its insurance
17 card that Plaintiff and other Class members would rely on that information believing
18 that the manner in which Defendants pay for medical services would be based on
19 Multiplan.

20 83. Defendants knew that they would not be paying based on Plaintiff's
21 Multiplan Agreement.

22 84. Defendants made these misrepresentations regarding the manner of
23 payment with the intent of obtaining medical services for their insured and in so doing
24 intended to and did induce Plaintiff to provide services.

25 85. As of the date of this complaint, Defendants have still refused to make
26 the appropriate payment to Plaintiff and Plaintiff is entitled to that payment from
27 Defendants.

Example Patient 3

86. On January 14, 2020, Patient 3 received a surgery at Plaintiff's medical facility.

4 87. On January 7, 2020, prior to providing medical services, Plaintiff
5 received a copy of the insurance card specifically provided by Defendants to Patient
6 3 to be shown to Plaintiff and other Class members upon seeking medical services.

7 88. Prominently displayed on the insurance card is and was a symbol for
8 Multiplan.

9 89. Defendants' purpose in displaying the symbol was to communicate that
10 if Plaintiff and other Class members had an agreement with Multiplan, Defendants
11 would utilize that agreement in processing and paying for the medical services
12 provided to Patient 3.

13 90. Plaintiff had and has an agreement with Multiplan and so Plaintiff
14 determined to provide medical services to Patient 3, trusting Defendants'
15 representation that Plaintiff's Multiplan agreement is the manner in which Defendants
16 pay for the medical services received by Patient 3.

17 91. Defendants did not reference any issue that would put Plaintiff on notice
18 of the fact that Defendants would not utilize the Plaintiff's Multiplan agreement in
19 paying for services rendered to Patient 3.

20 92. Despite representing that the payment method is and was based on
21 Plaintiff's Multiplan agreement, Defendants knew or should have known that they
22 would not be paying Medical Provider based on the Multiplan Agreement.

23 93. Plaintiff relied and provided services based on the clear representation
24 on the insurance card Defendants provided to Patient 3 that Multiplan would be used
25 to determine the pricing for the medical services.

26 94. By Defendants' representations, Defendants intended for Plaintiff to
27 provide services to Patient 3.

1 95. Defendants intended for Medical Provider to rely on its representations
2 that medical services it provided to Patient 3 would be paid in accordance with the
3 Multiplan agreement.

4 96. Plaintiff submitted to Defendants any and all billing information required
5 by Defendants, including a bill for \$44,550.00.

6 97. Following the procedure, Plaintiff submitted its claims to Defendants
7 accompanied with lengthy operative reports, chart notes, and other medical records.
8 No matter whether large or small, all of Plaintiff's claims were submitted to
9 Defendants using CPT codes, Healthcare Common Procedure Coding System
10 ("HCPCS"), and modifiers, as necessary. Plaintiff submitted to Defendants any and
11 all billing information and any and all additional information requested by
12 Defendants.

13 98. Defendants processed the bill and made a payment of \$16,208.43 along
14 with sending an EOB.

15 99. Defendants confirmed in the EOB that they had used Multiplan to
16 determine the amount paid for the medical services.

17 100. However, despite claiming to use Multiplan to price the claim,
18 Defendants paid far less than the amount owed according to Plaintiff's Multiplan
19 Agreement.

20 101. Defendants failed to make payment in accordance with the
21 representations and promises they made to Plaintiff that the manner of payment would
22 be based on Plaintiff's Multiplan Agreement.

23 102. Defendants knew that by putting the Multiplan symbol on their insurance
24 card that Plaintiff and other Class members would rely on that information, believing
25 that the manner in which Defendants pay for medical services would be based on
26 Multiplan.

27 103. Defendants knew that they would not be paying based on Plaintiff's
28 Multiplan Agreement.

104. Defendants made these misrepresentations regarding the manner of
2 payment with the intent of obtaining medical services for their insured and in so doing
3 intended to and did induce Plaintiff to provide services.

4 105. As of the date of this complaint, Defendants have still refused to make
5 the appropriate payment to Plaintiff and Plaintiff is entitled to that payment from
6 Defendants.

Example Patient 4

8 106. On January 17, 2020, Patient 4 received a surgery at Plaintiff's medical
9 facility.

10 107. On January 13, 2020, prior to providing medical services, Plaintiff
11 received a copy of the insurance card specifically provided by Defendants to Patient
12 4 to be shown to Plaintiff and other Class members upon seeking medical services.

13 108. Prominently displayed on the insurance card is and was a symbol for
14 Multiplan.

15 109. Defendants' purpose in displaying the symbol was to communicate that
16 if Plaintiff and other Class members had an agreement with Multiplan, Defendants
17 would utilize that agreement in processing and paying for the medical services
18 provided to Patient 4.

19 110. Plaintiff had and has an agreement with Multiplan and so Plaintiff
20 determined to provide medical services to Patient 4, trusting Defendants'
21 representation that Plaintiff's Multiplan agreement is the manner in which Defendants
22 pay for the medical services received by Patient 4.

23 111. Defendants did not reference to any issue that would put Plaintiff on
24 notice of the fact that Defendants would not utilize the Plaintiff's Multiplan
25 agreement.

26 112. Despite representing that the payment method is and was based on
27 Plaintiff's Multiplan agreement, Defendants knew or should have known that they
28 would not be paying Medical Provider based on the Multiplan Agreement.

1 113. Plaintiff relied and provided services based on the clear representation
2 on the insurance card Defendants provided to Patient 4 that Multiplan would be used
3 to determine the pricing for the medical services.

4 114. By Defendants' representations, Defendants intended for Plaintiff to
5 provide services to Patient 4.

6 115. Defendants intended for Medical Provider to rely on their representations
7 that medical services it provided to Patient 4 would be paid in accordance with the
8 Multiplan agreement.

9 116. Plaintiff submitted to Defendants any and all billing information required
10 by Defendants, including a bill for \$34,155.00.

11 117. Following the procedure, Plaintiff submitted its claims to Defendants
12 accompanied with lengthy operative reports, chart notes, and other medical records.
13 No matter whether large or small, all of Plaintiff's claims were submitted to
14 Defendants using CPT codes, Healthcare Common Procedure Coding System
15 ("HCPCS"), and modifiers, as necessary. Plaintiff submitted to Defendants any and
16 all billing information and any and all additional information requested by
17 Defendants.

18 118. Defendants processed the bill and made a payment of \$3,708.85 along
19 with sending an EOB.

20 119. Defendants confirmed in the EOB that they had used Multiplan to
21 determine the amount paid for the medical services.

22 120. However, despite claiming to use Multiplan to price the claim,
23 Defendants paid far less than the amount owed according to Plaintiff's Multiplan
24 Agreement.

25 121. Defendants failed to make payment in accordance with the
26 representations and promises they made to Plaintiff that the manner of payment would
27 be based on Plaintiff's Multiplan Agreement.

1 122. Defendants knew that by putting the Multiplan symbol on their insurance
2 card that Plaintiff and other Class members would rely on that information, believing
3 that the manner in which Defendants pay for medical services would be based on
4 Multiplan.

5 123. Defendants knew that they would not be paying based on Plaintiff's
6 Multiplan Agreement.

7 124. Defendants made these misrepresentations regarding the manner of
8 payment with the intent of obtaining medical services for their insured and in so doing
9 intended to and did induce Plaintiff to provide services.

10 125. As of the date of this complaint, Defendants have still refused to make
11 the appropriate payment to Plaintiff and Plaintiff is entitled to that payment from
12 Defendants.

Example Patient 5

14 126. On February 5, 2020, Patient 5 received a surgery at Plaintiff's medical
15 facility.

16 127. On January 29, 2020, prior to providing medical services, Plaintiff
17 received a copy of the insurance card specifically provided by Defendants to Patient
18 5 to be shown to Plaintiff and other Class members upon seeking medical services.

19 128. Prominently displayed on the insurance card is and was a symbol for
20 Multiplan.

129. Defendants' purpose in displaying the symbol was to communicate that
if Plaintiff and other Class members had an agreement with Multiplan, Defendants
would utilize that agreement in processing and paying for the medical services
provided to Patient 5.

25 130. Plaintiff had and has an agreement with Multiplan and so Plaintiff
26 determined to provide medical services to Patient 5, trusting Defendants'
27 representation that Plaintiff's Multiplan agreement is the manner in which Defendants
28 pay for the medical services received by Patient 5.

1 131. Defendants did not reference any issue that would put Plaintiff on notice
2 of the fact that Defendants would not utilize the Plaintiff's Multiplan agreement.

3 132. Despite representing that the payment method is and was based on
4 Plaintiff's Multiplan agreement, Defendants knew or should have known that they
5 would not be paying Medical Provider based on the Multiplan Agreement.

6 133. Plaintiff relied and provided services based on the clear representation
7 on the insurance card Defendants provided to Patient 5 that Multiplan would be used
8 to determine the pricing for the medical services.

9 134. By Defendants' representations, Defendants intended for Plaintiff to
10 provide services to Patient 5.

11 135. Defendants intended for Medical Provider to rely on their representations
12 that medical services it provided to Patient 5 would be paid in accordance with the
13 Multiplan agreement.

14 136. Plaintiff submitted to Defendants any and all billing information required
15 by Defendants, including a bill for \$55,378.34.

16 137. Following the procedure, Plaintiff submitted its claims to Defendants
17 accompanied with lengthy operative reports, chart notes, and other medical records.
18 No matter whether large or small, all of Plaintiff's claims were submitted to
19 Defendants using CPT codes, Healthcare Common Procedure Coding System
20 ("HCPCS"), and modifiers, as necessary. Plaintiff submitted to Defendants any and
21 all billing information and any and all additional information requested by
22 Defendants.

23 138. Defendants processed the bill and made a payment of \$6,431.37 along
24 with sending an EOB.

25 139. Defendants confirmed in the EOB that they had used Multiplan to
26 determine the amount paid for the medical services.

1 140. However, despite claiming to use Multiplan to price the claim,
2 Defendants paid far less than the amount owed according to Plaintiff's Multiplan
3 Agreement.

4 141. Defendants failed to make payment in accordance with the
5 representations and promises it made to Plaintiff that the manner of payment would
6 be based on Plaintiff's Multiplan Agreement.

7 142. Defendants knew that by putting the Multiplan symbol on their insurance
8 card that Plaintiff and other Class members would rely on that information believing
9 that the manner in which Defendant pay for medical services would be based on
10 Multiplan.

11 143. Defendants knew that they would not be paying based on Plaintiff's
12 Multiplan Agreement.

13 144. Defendants made these misrepresentations regarding the manner of
14 payment with the intent of obtaining medical services for their insured and in so doing
15 intended to and did induce Plaintiff to provide services.

16 145. As of the date of this complaint, Defendants have still refused to make
17 the appropriate payment to Plaintiff and Plaintiff is entitled to that payment from
18 Defendants.

CLASS ALLEGATIONS

20 146. Plaintiff brings this action on behalf of itself and all others similarly
21 situated, as a member of the proposed class (the “Class”), defined as follows:

22 All California medical providers that were not contracted with Cigna and were
23 contracted with Multiplan that provided medical services to patients with Cigna
24 health insurance cards bearing the Multiplan symbol and that were underpaid
25 by Cigna relative to their Multiplan agreements.

26 147. Excluded from the Class are: (i) Defendants; (ii) Defendants' employees,
27 affiliates, agents, officers and directors.

1 148. **Numerosity:** Upon information and belief, the Class is so numerous that
 2 joinder of all members is impracticable. While the exact number and identity of
 3 individual members of the Class is unknown currently, such information being in the
 4 sole possession of Defendants and/or third parties and obtainable by Plaintiff only
 5 through discovery, Plaintiff believes, and on that basis alleges, that the Class consists
 6 of at least hundreds of persons or entities. The number of Class members can be
 7 determined based on Defendants' and/or other third parties' records.

8 149. **Commonality:** Common questions of law and fact exist as to all
 9 members of the Class. These questions predominate over questions affecting
 10 individual Class members. These common legal and factual questions include, but
 11 are not limited to:

- 12 a. Whether Defendants misrepresented the nature of and the rate of
 13 payment to be made under the Multiplan agreements;
- 14 b. The manner(s) in which Defendants did so;
- 15 c. Whether Plaintiff and Class members have suffered damages, and if so,
 16 the nature and extent of those damages.
- 17 d. The proper form of injunctive and declaratory relief.

18 150. **Typicality:** Plaintiff has the same interest in this matter as all Class
 19 members, and Plaintiff's claims arise out of the same set of facts and conduct as the
 20 claims of all Class members. Plaintiff's and Class members' claims all arise out of
 21 Defendants' misrepresentations, omissions, and unlawful and deceptive acts and
 22 practices related to the Multiplan agreements.

23 151. **Adequacy:** Plaintiff has no interest that conflicts with the interests of the
 24 Class and is committed to pursuing this action vigorously. Plaintiff has retained
 25 counsel competent and experienced in complex class action litigation. Accordingly,
 26 Plaintiff and its counsel will fairly and adequately protect the interests of the Class.

27 152. **Superiority:** A class action is superior to all other available means of
 28 fair and efficient adjudication of the claims of Plaintiff and members of the Class.

1 The injury suffered by each individual Class member is relatively small compared to
2 the burden and expense of individual prosecution of the complex and extensive
3 litigation necessitated by Defendants' conduct. It would be almost impossible for
4 individual Class members to effectively redress the wrongs done to them. Even if
5 Class members could afford individualized litigation, the court system could not.
6 Individualized litigation would increase delay and expense to all parties and to the
7 court system due to the complex legal and factual issues of this action. Individualized
8 rulings and judgments could result in inconsistent relief for similarly situated Class
9 members. By contrast, the class action device presents far fewer management
10 difficulties, and provides the benefits of single adjudication, economy of scale, and
11 comprehensive supervision by a single court.

FIRST CAUSE OF ACTION

FRAUD

Against all Defendants

153. Medical Provider incorporates by reference all previous paragraphs as though fully set forth herein.

154. Defendants provided each patient with an insurance card which clearly displayed a Multiplan insignia.

155. Defendants represented through this insignia and emblem which Defendants intentionally chose to put on their insurance cards that Defendants would utilize the Multiplan Network.

156. Defendants placed the insignia and emblem on an obvious portion of the insurance cards so that Plaintiff and other Class members would see the emblem and believe that Multiplan would be utilized in the payment of any bill submitted by Medical Provider or Class members.

157. Despite the clear intent communicated by Defendants by displaying the Multiplan insignia and emblem, Defendants do not pay Plaintiff and other Class members in accordance with their Multiplan Agreement.

158. Defendants falsely represented to Plaintiff and the Class that payment for services would be based on their Multiplan Agreement.

159. Defendants knew that any payment made to Plaintiff and other Class members would not be made based on their Multiplan Agreement and would instead be made at a far lesser rate.

9 160. Defendants prominently displayed the Multiplan symbol with the intent
10 that Plaintiff and other Class members would provide services to Defendants'
11 insureds.

12 161. Plaintiff and other Class members justifiably and actually relied on
13 Defendants' misrepresentation regarding Defendants' use of Multiplan and
14 accordingly, provided the services to each patient.

15 162. Plaintiff and other Class members have been damaged in not receiving
16 payment according to their Multiplan Agreement.

SECOND CAUSE OF ACTION
NEGLIGENT MISREPRESENTATION

20 163. Plaintiff incorporates by reference all previous paragraphs as though
21 fully set forth herein.

22 164. Defendants provided each patient with an insurance card which clearly
23 displayed a Multiplan insignia.

24 165. Defendants represented through this insignia and emblem which
25 Defendants intentionally chose to put on their insurance cards that Defendants would
26 utilize the Multiplan Network.

166. Defendants placed the insignia and emblem on an obvious portion of the
2 insurance cards so that Plaintiff and other Class members would see the emblem and
3 believe that Multiplan would be utilized in the payment of any bill submitted by them.

4 167. Despite the clear intent put forth by Defendants by displaying the
5 Multiplan insignia and emblem, Defendants do not pay Plaintiff and other Class
6 members in accordance with their Multiplan Agreement.

7 168. Defendants knew or could have been reasonably sure that they were
8 never going to pay Plaintiff or other Class members appropriately under their
9 Multiplan agreement, despite the clear intent communicated by Defendants in
10 displaying the insignia and emblem on each patient's insurance card.

11 169. Plaintiff and other Class members justifiably and actually relied on
12 Defendants' placement of a Multiplan emblem as a statement that Defendants would
13 be paying their bill pursuant to their Multiplan agreement, as that is the common
14 practice of insurers like Defendants in the industry when displaying a Multiplan
15 emblem or insignia on their insurance card.

16 170. Plaintiff and other Class members have been damaged in being paid far
17 less than the billed charges owed to them under their Multiplan agreement.

18 171. In light of Defendants' misrepresentation as to the use of a Multiplan
19 agreement in paying for medical bills and of Plaintiff and other Class members'
20 justifiable and actual reliance thereon, Defendants are obligated to pay Plaintiff and
21 other Class members the correct billed charges with interest pursuant to their
22 Multiplan agreement.

THIRD CAUSE OF ACTION

VIOLATION OF CALIFORNIA'S UNFAIR COMPETITION LAW

Against All Defendants

26 172. Plaintiff repeats and incorporates by reference all preceding paragraphs
27 as if fully set forth herein.

1 173. California's Unfair Competition Law (the "UCL"), codified at California
2 Business & Professions Code Section 17200 *et seq.*, prohibits acts of "unfair
3 competition," including any "unlawful, unfair or fraudulent business act or practice."

4 174. In the course of conducting their business, Defendants violated the UCL
5 by, among other things, (1) misrepresenting to Plaintiff and other Class members that
6 payment for medical services rendered to patients insured by Cigna who had
7 insurance cards bearing the Multiplan insignia would be made in accordance with
8 Plaintiff's and other Class members' Multiplan agreement; (2) failing to pay Plaintiff
9 and other Class members the appropriate amounts for medical services rendered to
10 patients insured by Cigna who had insurance cards bearing the Multiplan insignia in
11 accordance with Plaintiff's and other Class members' Multiplan agreement.

12 175. These deceptive business practices constitute "fraudulent" practices
13 under the UCL. As noted in more detail above, Defendants represented that with
14 respect to Plaintiff and other Class members, medical services rendered to patients
15 covered by Cigna who had insurance cards bearing the Multiplan insignia would be
16 paid by Defendants in accordance with Plaintiff's and other Class members'
17 Multiplan agreement. Plaintiff and Class Members justifiably, reasonably, and
18 actually relied on Defendants' representations that payment for medical services to
19 such patients would be made in accordance with their Multiplan agreement.
20 Defendants' business practices were and are likely to deceive members of the public,
21 because customers such as Plaintiff reasonably and actually expected that they would
22 be paid in accordance with their Multiplan agreement—not that they would be paid
23 far less than what their Multiplan agreement provided.

24 176. In addition, Defendants' deceptive and misleading practices constituted
25 "unfair" business acts or practices under the UCL. Defendants' overcharging of
26 customers and misrepresentations about the nature of the payment under their
27 Multiplan agreement constitutes immoral, unethical, oppressive, or unscrupulous
28 activities that are substantially injurious to Plaintiff and other Class members, and

1 whatever utility, if any, that Defendants derived from these practices is outweighed
2 by the resulting deception and overcharges.

3 177. There were reasonably available alternatives to further Defendants'
4 legitimate business interests other than the conduct described herein.

5 178. As a result of Defendants' deceptive and misleading conduct, Plaintiff
6 and the Class have been harmed and have been overcharged under the Multiplan
7 agreement.

8 179. As a result of their deception, Defendants have been able to reap unjust
9 revenue and profits in violation of the UCL.

10 180. Unless restrained and enjoined, Defendants will continue to overcharge
11 customers and misrepresent the nature of the payment to be made under the Multiplan
12 agreement. Accordingly, injunctive relief is appropriate for Plaintiff and Class
13 Members.

14 181. As a result of the above, Plaintiff and the other Class Members seek
15 restitution and disgorgement of all money unlawfully obtained from members of the
16 Class, as well as injunctive relief and all other relief this Court deems appropriate,
17 consistent with Business & Professions Code § 17203.

18 182. Plaintiff and the other Class Members lack an adequate remedy at law
19 because, unless enjoined as requested herein, Defendants will continue to mis-process
20 claims submitted by Plaintiff and the Class, and because damages will not capture the
21 full harm done to Plaintiff and the Class, due to difficulties in quantifying the harm
22 inflicted by Defendants' unfair practices, including the staff time incurred in
23 attempting to obtain appropriate payment and attendant lost opportunities. Restitution
24 and disgorgement are necessary because Defendants were unjustly enriched by their
25 unfair conduct.

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PRAYER FOR RELIEF

WHEREFORE, Plaintiff prays for relief and judgment against Defendants as follows:

1. An Order determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;

2. An Order designating Plaintiff as class representative and designating Plaintiff's counsel as counsel for the putative Class;

3. An Order directing proper notice to be distributed to the putative Class at Defendants' expense;

10 4. An Order finding that Defendants misrepresented the nature and amounts
11 of its payments under the Multiplan agreements it had with Plaintiff and the putative
12 Class members;

13 5. An Order awarding compensatory damages in Plaintiff's favor and the
14 other Class members against all Defendants, jointly and severally, for all damages
15 sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial,
16 including interest thereon;

17 6. An Order enjoining Defendants from continuing to engage in the
18 unlawful conduct described herein;

19 7. An Order requiring disgorgement of all money unlawfully obtained from
20 members of the Class, and restitution thereof;

21 || 8. An Order awarding punitive damages to Plaintiff and the Class;

22 9. An Order awarding Plaintiff and the Class their reasonable costs and
23 expenses incurred in this action, including counsel fees and expert fees; and

24 || 10. Such other relief as the Court may deem just and appropriate.

DEMAND FOR JURY TRIAL

Plaintiff hereby demands a jury trial of any and all issues in this action so triable of right.

1 Dated: June 8, 2022

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